



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY, APRIL 9, 2010 MEETING MINUTES

MEMBERS PRESENT:

Dennis Yates, AQMD Governing Board Member, LGSBA Chairman
Greg Adams, L.A. County Sanitation District
Paul Avila, P.B.A. & Associates
Daniel Cunningham, Metal Finishing Association
Jacob Haik, Office of School Board Member Richard Vladovic
Maria Elena Kennedy, Kennedy Communications
Angelo Logan, East Yard Communities for Environmental Justice
Art Montez, AMA International
Steve Mugg, South Orange County Representative, City of Mission Viejo

MEMBERS ABSENT:

Ronald Loveridge, AQMD Governing Board Member, LGSBA Vice Chairman
Felipe Aguirre, Vice Mayor, City of Maywood
Geoffrey Blake, Metal Finishers of Southern California/All Metals
Eric Busch, Representative, South Bay Cities Council of Governments
Todd Campbell, Clean Energy
James R. Krausz, Esq., ALA Inland Counties
Kelly Moulton, Paralegal

OTHERS PRESENT:

Earl Elrod, Board Member Assistant (*Yates*)
Nicole Nishimura, Board Member Assistant (*Lyou*)
Kris Flaig, City of Los Angeles/SCAP
Rita Loof, Radtech

AQMD STAFF:

Naveen Berry, Planning & Rules Manager
Philip Crabbe, Community Relations Manager
Nancy Feldman, Principal Deputy District Counsel
Anupom Ganguli, Asst. Deputy Executive Officer
Henry Hogo, Asst. Deputy Executive Officer
John Kampa, Financial Analyst
Lori Langrell, Secretary
Mary Leonard, Financial Analyst
Mike O'Kelly, Chief Financial Officer
Donna Peterson, Financial Services Manager
Ricardo A. Rivera, Senior Staff Specialist
Dean Saito, Fleet Rule Implementation Manager
Laki Tisopulos, Asst. Deputy Executive Officer

Agenda Item #1 - Call to Order/Opening Remarks

Chair Dennis Yates called the meeting to order at 11:02 a.m.

Agenda Item #2 – Approval of February 12, 2010 Meeting Minutes/Review of Follow-Up/Action Items

Chair Yates called for approval of the meeting minutes.

The March 12, 2010 meeting minutes were approved.

***Action Item:** Staff to provide a listing of where the tree planting program has been implemented.*

✓ Completed.

Agenda Item #3 – FY 2010-11 Draft Budget and Work Program

Ms. Mary Leonard provided a presentation on the FY 2010-11 Draft Budget and Work Program.

Mr. Jacob Haik asked what is the projected revenue amount for the 2.1% CPI fee increase across the board. Ms. Leonard replied \$1.7 million annually. Mr. Haik further asked with regard to the labor agreements, what has been asked of the unions to help balance the budget? Ms. Donna Peterson replied that there have been no negotiations to date, and nothing has been put on the table.

Mr. Greg Adams asked what the likelihood is of another pension obligation bond in the future. Mr. Mike O’Kelly replied that in his short tenure taking over as CFO at the District, there has not been a discussion regarding same, and he sees nothing on the horizon. Mr. Adams also asked how many labor unions does the District deal with, and are negotiations done every year. Ms. Peterson replied that there are two: the OCM (Office, Clerical and Maintenance) and PEA (Professional Employee Association) labor unions, and that currently they are on a one-year term, but in the past there have been multi-year agreements.

Agenda Item #4 –AB 2588 – Air Toxics “Hot Spots” Information and Assessment Act of 1987

Mr. Naveen Berry provided a presentation regarding AB 2588 – Air Toxics “Hot Spots” Information and Assessment Act of 1987.

Ms. Maria Elena Kennedy asked where Vista Metals, Sigma Plating, and Anvil Cases were located. Mr. Berry replied that Vista Metals is located in the City of Fontana, north of the 10 freeway, east of the 15 freeway, and approximately one mile north of the Auto Club Speedway. Sigma Plating is located in La Puente and Anvil Cases is in the City of Industry.

Mr. Paul Avila asked if there was a plan for facilities that were set up in the 1930’s and 1940’s, to phase out these older businesses. Mr. Berry replied that they looked at the large emitters, specifically facilities with emissions of 25 tons per year, and then subsequently looked at facilities with emissions of 10 tons per year. The facilities emitting 10 tons per year were phased in to the program over a three to four year time frame. For these facilities, we started looking at detailed air toxics inventories. The prioritization of the facilities was not based on industrial

classification, rather it was based on criteria pollutant emissions and an evaluation of the detailed air toxic inventory. This then determined which facilities were to be placed under a risk reduction program, be monitored, and/or be subject to a Health Risk Assessment (HRA).

Mr. Angelo Logan asked how is it determined which facilities need an HRA. Mr. Berry replied that once a detailed air toxics emissions inventory is received, and the cancer risk drivers, or acute risk drivers (for example hexavalent chromium, methylene chloride, or heavy metals like nickel, asbestos, or lead) are identified, potential risk is estimated, and if above a certain level, then an HRA must be done.

Mr. Dan Cunningham inquired as to which chemical was identified for cancer risk in Cerritos. Dr. Ganguli responded that it is Hydrazine, a form of rocket fuel, also used for leaching precious metals.

Mr. Art Montez mentioned that since older data slipped through regarding Cerritos, he was curious as to what other information may have slipped through. Mr. Berry replied that out of the 56 facilities, 34 were identified that had already gone out of business, or had been sold prior to 2005. Those should never have been in the EPA database. Mr. Berry also stated that the District also found 16 facilities had already changed their key toxic compounds. EPA was relying on old information submittals, even though we have provided updated information to them.

Mr. Avila asked if given the bad (old) data that EPA sent forth regarding Cerritos, could this misinformation potentially lead to lawsuits. Mr. Berry replied that it was a tremendous concern by the city of Cerritos that using old data creates a perception problem, as well as potential lawsuits, and between the three agencies we committed to review drafts before release to the public.

Mr. Adams asked for clarification between his reading of the Clean Communities Plan (CCP) where it states the average current risk is 853 per million, versus the AB 2588 numbers of non-diesel risk at 145 per million, yet the highest facility shows 20 per million. Mr. Berry replied the MATES study shows the overall average of 800+, and the peak is at 1200. Eighty-three percent of the risk is from diesel exhaust, however, there are other fuels, uses, and energy sources that add to that risk as well. The MATES study breaks it down in much more detail.

Agenda Item #5 – Update on Proposed Amendment to Rule 1193 – Clean On-Road Residential and Commercial Collection Vehicles

Mr. Dean Saito provided an update on the proposed amendment to Rule 1193, Clean On-Road Residential and Commercial Collection Vehicles.

Mr. Montez asked hypothetically if you have a two or four year contract in 2008 and the Board acts on the proposed amendment to the rule after the contract has ended, does this give an unfair advantage to a new bidder from the outside whereas he has a new cleaner fleet that meets the new requirements, yet the previous contractor has an older fleet that does not meet the new requirements. Mr. Saito responded that most cities in new contracts are already requiring alternative fuel vehicles.

Mr. Avila asked how many trash trucks total there are in Los Angeles County. Mr. Saito replied between residential and commercial there are approximately 1,000 to 2,000. In the South Coast region there are approximately 2,800 that are diesel, the remainder is alternative fuel. Mr. Avila further asked if it would make more sense to have the manufacturing companies comply with air

quality standards instead of the user. Mr. Saito replied that the major manufacturers have both available commercially, and that the City of Seattle has gone to alternative trucks due to the cost savings, not due to air quality problems.

Mr. Logan asked for a description of a “collection vehicle”. Mr. Saito replied that such a vehicle is any vehicle that collects waste. Mr. Logan further asked if green waste is included in the description, and also if tree trimmers are included. Mr. Saito replied that green waste is included, and that tree trimmers are included if they are under contract with a public entity.

Chair Yates asked if street sweepers will be incorporated into the rule as a fleet. Mr. Saito stated that 1186.1 was amended to reflect the Supreme Court decision, and when cities do the bidding process, alternative fuel vehicles are required.

Mr. Adams asked if refuse haulers and transfer rigs are subject to the new rule as well. Mr. Saito replied that they are a part of the rule, but only if they are under a public entity contract. Private haulers are not.

Agenda Item #6 – Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #7 – Update on Climate Change Activities (Written Report)

Ms. Jill Whynot provided a written report update on climate change activities.

Agenda Item #8 - Other Business

Mr. Avila asked what do businesses do with the old trash trucks. Chair Yates replied that many are sold to developing countries.

Agenda Item #9 - Public Comment

Ms. Rita Loof had comments with regard to Rule 1144. She wanted to raise an issue regarding that rule, which may negatively impact small businesses, and any business that has to deal with low VOC coatings in the future. There is a test method issue in 1144 where the EPA method 24 does not work because of the low VOC nature of the coatings. It has been postponed for a couple of months because the industry process, and the peer review, which is the ASTM process takes a long time. The conclusion by the staff is that there would be a one-time cost to the industry for testing in the amount of \$2.5 million. Ms. Loof believes that this issue and cost may come up more frequently for small businesses as we look to low VOC coatings and lowering the VOC rules.

Agenda Item #10 - Adjournment

The meeting adjourned at 12:05 p.m.